

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

## FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT ON

KE NANI KAI  
Kaluakoi, Molokai, Hawaii

REGISTRATION NO. 1163

### IMPORTANT — Read This Report Before Buying

#### **This Report Is Not an Approval or Disapproval of This Condominium Project**

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: March 6, 1981  
Expires: April 6, 1982

#### SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED AUGUST 15, 1979, AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 4, 1981. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report dated September 11, 1979, Supplementary Public Report dated April 18, 1980, and Second Supplementary Public Report dated August 29, 1980, on

Registration No. 1163, the Developer has forwarded additional information reflecting changes that have been made in the documents for the project.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

The Declaration of Horizontal Property Regime dated December 4, 1980, with By-Laws attached was filed as aforesaid as Document No. 1047340.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium Map No. 443.

Said Declaration and Condominium Map No. 443 were amended by instrument dated February 20, 1981, filed as aforesaid as Document No. 1056432.

4. Advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, March 6, 1981, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Final Public Report amends the Commission's Preliminary Public Report, Supplementary Public Report and Second Supplementary Public Report, and is made a part of registration on KE NANI KAI condominium project. The Developer has the responsibility of placing true copies of this Final Public Report (white paper stock), the Preliminary Public Report (yellow paper stock), the Supplementary Public Report (pink paper stock), the Second Supplementary Public Report (pink paper stock) and the revised Disclosure Abstract in the hands of all purchasers. Securing a signed copy of the Receipt therefor from each purchaser is also the responsibility of the Developer.

The information in the topical headings DEVELOPER, PURPOSE OF BUILDING AND RESTRICTIONS ON USE,

OWNERSHIP OF TITLE, PURCHASE MONEY HANDLING, MANAGEMENT OF THE PROJECT and STATUS OF PROJECT has been altered as follows. All other topical headings have not been disturbed.

DEVELOPER: (1) Ke Nani Kai Joint Venture, a Hawaii general partnership, Suite 1707, 1750 Kalakaua Avenue, Honolulu, Hawaii 96826, Phone: (808) 944-9748, whose general partners are: (a) Molokai West I Limited Partnership, a limited partnership formed under the laws of British Columbia, Canada, and (b) Molokai West II Limited Partnership, a Hawaii limited partnership; and (2) Molokai West III, Limited Partnership, a British Columbia limited partnership, Suite 1707, 1750 Kalakaua Avenue, Honolulu, Hawaii 96826, Phone: (808) 944-9748, under the terms of that certain unrecorded Purchase and Construction Agreement dated December 31, 1980, by and between Ke Nani Kai Joint Venture and Molokai West III, Limited Partnership, relating to the construction of forty-eight (48) of the apartments of the project.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that, except when a first mortgagee has entered into possession of an apartment following (i) a default under a mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests. The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and the By-Laws attached thereto.

OWNERSHIP OF TITLE: A preliminary title report dated November 26, 1980, issued by Title Guaranty of Hawaii, Incorporated, and a pro-forma policy of title insurance to be issued by Title Insurance And Trust Company as supplied to the Commission on March 4, 1981, indicate that Ke Nani Kai Joint Venture, a Hawaii general partnership and one of the Developers, is the fee simple owner of the property committed to the regime. Said preliminary title report and pro-forma policy of title insurance indicate there are no further encumbrances against the lands of the project, except a Declaration of Nominee Ownership, dated January 15, 1981, filed as aforesaid as Document No. 1052952, under which Ke Nani Kai Joint Venture declares it holds a 40.55 percent undivided interest in said property for Molokai West III, Limited Partnership, a British Columbia limited partnership and the other Developer.

PURCHASE MONEY HANDLING: The Escrow Agreement for the project dated August 14, 1979 with Title Guaranty Escrow Services, Inc., as Escrow, has been amended by instrument dated January 16, 1981, as follows:

1. Said Escrow Agreement shall not relate to the forty-eight (48) apartments listed on Exhibit "A"

hereto, said apartments being covered by a separate escrow agreement by and between Ke Nani Kai Joint Venture, Title Guaranty Escrow Services, Inc., and MOLOKAI WEST III, LIMITED PARTNERSHIP, a British Columbia limited partnership.

2. Paragraph 4, appearing on pages 2 and 3 of said Escrow Agreement, is amended to read as follows:

"4. Subject to the provisions of Paragraphs 5 and 6 below, and upon prior approval of the Seller's mortgagee, disbursements from the escrow fund (including Purchasers' funds) shall be made by Escrow, for a mutually acceptable fee for each such disbursement, from time to time to pay for construction costs in accordance with bills submitted to Escrow from time to time by the Seller. Such bills shall have been approved or certified for payment by the Seller's mortgagee or by a financially disinterested person. The balance of the monies remaining in the escrow fund shall be disbursed in accordance with the discretion of the Seller only upon completion of the buildings, and when Escrow has received satisfactory evidence that all mechanics' and materialmen's liens have been cleared or sufficient funds have been set aside to cover claims, if liens are filed, otherwise forty-six (46) days after the filing with Escrow of a copy of the affidavit of publication of notice of completion."

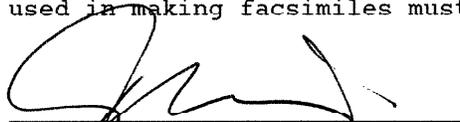
The Commission has been supplied with a copy of said separate escrow agreement dated January 16, 1981.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible corporate managing agent. The Developer advises that it plans to appoint as initial managing agent: The Great American Management Group of Hawaii, Inc., 1900 Waikiki Trade Center, Honolulu, Hawaii 96815.

STATUS OF PROJECT: The Developer advises that construction of the project began on January 14, 1981 and that it estimates that the construction of the project will be completed May 1, 1982.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted August 15, 1979, and information subsequently filed as of March 4, 1981.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1163 filed with the Commission on August 15, 1979. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.



G. A. "RED" MORRIS, CHAIRMAN  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING COMMISSION, COUNTY OF MAUI  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

REGISTRATION NO. 1163

March 6, 1981

EXHIBIT "A"

<u>Unit No.</u>	<u>Type</u>	<u>Percent Interest</u>
102	A	.85%
103	B	.70%
105	C	.95%
112	C	.95%
113	A	.85%
118	A	.85%
119	C	.95%
120	C	.95%
123	A	.85%
124	A	.85%
125	C	.95%
129	B	.70%
131	C	.95%
132	C	.95%
134	C	.95%
139	A	.85%
141	A	.85%
142	A	.85%
145	A	.85%
146	A	.85%
148	B	.70%
149	C	.95%
150	C	.95%
152	C	.95%
153	B	.70%
155	A	.85%
157	C	.95%
158	C	.95%
159	B	.70%
160	B	.70%
201	A	.85%
203	B	.70%
206	C	.95%
219	C	.95%
221	B	.70%
224	A	.85%
227	B	.70%
230	B	.70%
235	A	.85%
238	C	.95%
239	A	.85%
246	A	.85%
247	B	.70%
248	B	.70%
252	C	.95%
255	A	.85%
256	A	.85%
260	B	.70%

40.55%